

## Message Text

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PAGE 01 PEKING 02843 120833Z  
ACTION EA-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-10 LAB-04  
NSAE-00 SIL-01 INT-05 SP-02 SOE-02 AID-05 CEA-01  
DODE-00 DOE-15 H-01 L-03 NSC-05 OMB-01 PM-05  
ICA-11 OES-09 SS-15 STR-07 TRSE-00 ACDA-12 /135 W  
-----085729 121956Z /64

R 120745Z SEP 78  
FM USLO PEKING  
TO SECSTATE WASHDC 1973  
INFO AMCONSUL HONG KONG  
AMEMBASSY TOKYO

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E.O. 11652: N/A  
TAGS: ELAB ENRG CH  
SUBJECT: GENEROUS BONUS SYSTEM INSTITUTED IN TATUNG MINES

1. RECENT VISITORS TO TWO OF THE COAL MINES IN TATUNG, SHANSI PROVINCE, HAVE LEARNED DETAILS OF A VERY GENEROUS BONUS SYSTEM INSTITUTED THERE EARLIER THIS YEAR. UNDER THIS SYSTEM, WHICH APPARENTLY TAKES ACCOUNT OF THE PERFORMANCE OF WORK TEAMS RATHER THAN INDIVIDUALS, FULFILLMENT OF MONTHLY STATE PLANS ENTITLES EACH TEAM MEMBER TO A BONUS OF EIGHT YUAN FOR THE MONTH. IF THE PLAN IS OVERFULFILLED BY FIVE PERCENT THE BONUS INCREASES TO 12 YUAN; IF OVERFULFILLED BY TEN PERCENT THE BONUS INCREASES TO 14 YUAN; IF OVERFULFILLED BY FIFTEEN PERCENT, 16 YUAN; AND IF BY TWENTY PERCENT OR MORE, 18-20 PERCENT. OFFICIALS AT THE YUN GANG MINE, TATUNG'S LARGEST, DESCRIBED THE PRESENT SYSTEM TO A FRENCH VISITOR AS "A PIECE RATE SYSTEM PLUS BONUSES."

2. IN ADDITION TO THIS BONUS SYSTEM, THE MINE AWARDS A BONUS OF .80 YUAN A DAY FOR WORK UNDERGROUND; AT ANOTHER  
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PAGE 02 PEKING 02843 120833Z

MINE THIS BONUS IS 1.00 YUAN. THIS BONUS IS PROBABLY NOT NEW. RECEIVING BOTH THIS BONUS AND THE PRODUCTION BONUS A MINER CAN ADD ALMOST 50 YUAN TO HIS MONTHLY SALARY.

3. IN CONVERSATIONS WITH USLO VISITORS IN JULY AND FRENCH VISITORS IN EARLY SEPTEMBER, MINE OFFICIALS EXPRESSED

GREAT SATISFACTION WITH THE RESULTS OF THE NEW REMUNERATION SYSTEM. THE FRENCH VISITOR WAS INFORMED THAT TATUNG PRODUCED 21-22 MILLION TONS OF COAL IN 1977 AND THAT GREAT BRITAIN WOULD AID IN THE FURTHER DEVELOPMENT OF CHINHUAKUNG (NUMBER NINE) MINE.

4. COMMENT: THE BONUS SYSTEM DESCRIBED ABOVE CERTAINLY SEEMS LIKE A POSITIVE INCENTIVE FOR MINERS TO INCREASE OUTPUT. THE SYSTEM HAS BEEN IN EFFECT AT LEAST SINCE JULY AND, DEPENDING ON WHEN IT WAS ACTUALLY INSTITUED, AND HOW WIDESPREAD THE SYSTEM IS, MAY HAVE CONTRIBUTED TO THE EXCELLENT FIRST HALF PERFORMANCE IN THE COAL SECTOR. THE SYSTEM PROMISES TO ENCOURAGE HIGHER LABOR PRODUCTIVITY AND INCREASED OUTPUT IN THE COAL INDUSTRY.  
WOODCOCK

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BONUSES, INCENTIVES, MINING INDUSTRY  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 sep 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**SAS ID:** 1467689  
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**Status:** NATIVE  
**Subject:** GENEROUS BONUS SYSTEM INSTITUTED IN TATUNG MINES  
**TAGS:** ELAB, ENRG, CH  
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**Type:** TE  
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